

EXHIBIT B

PARKER POE

PARKER POE ADAMS & BERNSTEIN LLP

Attorneys and Counselors at Law

William L. Hirata

Partner

Telephone: 704.335.9887

Direct Fax: 704.335.9671

billhirata@parkerpoe.com

Three Wachovia Center

Suite 3000

401 South Tryon Street

Charlotte, NC 28202-1935

Telephone 704.372.9000

Fax 704.334.4706

www.parkerpoe.com

November 21, 2008

VIA FEDERAL EXPRESS

Mr. Locke R. McMurray
Managing Director
Capital Markets Contracts Legal
Lehman Brothers
1271 Avenue of the Americas, 43rd Floor
New York, New York 10020

Ms. Sharon S. Setterlund
Assistant Treasurer
The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256

RE: Notice of Termination and Demand for Payment of Damages with respect to that certain Debt Service Reserve Fund Agreement – Guaranteed Yield Structure dated as of June 8, 1998 among Conway Hospital, Inc., The Bank of New York and Lehman Brothers Special Financing Inc.

Dear Mr. McMurray and Ms. Setterlund:

Please find enclosed the above-referenced Notice.

Please feel free to call me or Mr. James Engel of Kensington Capital Advisors LLC, 518-392-5010, jengel@kensington-advisors.com, should you have any questions.

Very truly yours,



William L. Hirata

Enclosure

cc: Bret Barr
James Engel
E. Tyler Smith, Esq.
James M. Capruso

CHARLESTON, SC
COLUMBIA, SC
MYRTLE BEACH, SC
RALEIGH, NC
SPARTANBURG, SC



November 18, 2008

Capital Markets Contracts Legal
Lehman Brothers
1271 Avenue of the Americas, 43rd Floor
New York, New York 10020

The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256
Attn: Corporate Trust – South Carolina

**NOTICE OF TERMINATION AND DEMAND FOR PAYMENT OF DAMAGES
WITH RESPECT TO THAT CERTAIN
DEBT SERVICE RESERVE FUND AGREEMENT – GUARANTEED YIELD STRUCTURE
DATED AS OF JUNE 8, 1998 AMONG
CONWAY HOSPITAL, INC., THE BANK OF NEW YORK AND
LEHMAN BROTHERS SPECIAL FINANCING INC.**

This notice is given pursuant to Sections 6.3 (b) and (c) of that certain Debt Service Reserve Fund Agreement – Guaranteed Yield Structure (the "*Agreement*") dated as of June 8, 1998, among Conway Hospital, Inc., a nonprofit corporation organized and existing under the laws of the State of South Carolina (the "*Borrower*"), The Bank of New York, now known as The Bank of New York Mellon Trust Company, N.A. (the "*Trustee*") and Lehman Brothers Special Financing, Inc., a Delaware Corporation ("*Lehman*").

Pursuant to Section 6.1 (e) of the Agreement, Lehman has admitted its inability to pay its debts by filing a bankruptcy petition 08-1388 on October 3, 2008, which constitutes an "Event of Default" under the Agreement.

Accordingly, and with the consent of Ambac Assurance Corporation (the "*Bond Insurer*") signified below, the Borrower hereby gives written notice to the Trustee and Lehman that it is exercising its right:

1. To immediately terminate, as of the date of this notice, the Agreement pursuant to Section 6.3 (b) of the Agreement; and
2. To make demand for the payment of damages pursuant to Section 6.3 (c) of the Agreement.

Member of Premier: The Nation's Largest Healthcare Alliance

As the Agreement is being terminated, pursuant to Section 6.3 (c)(i)(B) of the Agreement, Lehman shall pay to the Borrower, as liquidated damages and not as a penalty, on demand,

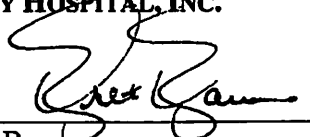
(i) an amount equal to the total amount required, determined as of the date of demand by the Borrower in good faith, to preserve for the Borrower the economic equivalent of the value which the Borrower would receive under the Agreement upon the sale of Eligible Securities (as defined in the Agreement) to the Trustee under the Agreement through the Termination Date (July 1, 2028, as defined in the Agreement) and otherwise to compensate the Borrower for any losses and costs (including loss of bargain and costs of funding) that it may incur as a result of the termination of the Agreement, and

(ii) without duplication of any costs described in (i) above, any incidental costs and expenses (including reasonable legal fees and expenses) incurred by the Borrower in connection with the enforcement of its rights under the Agreement.

The Borrower has calculated the amount due under (i) above as \$739,006.18 and the amount due under (ii) above as \$12,000 (as shown on the attached Exhibit A).

Please contact James Engel of Kensington Capital Advisors LLC, 518-392-5010, jengel@kensington-advisors.com, should you have any questions with respect to the calculation of the amounts due to the Borrower and please contact me for payment instructions.

CONWAY HOSPITAL, INC.


By Bret Barr
Its Vice President of Fiscal Services and
Chief Financial Officer

Ambac Assurance Corporation consents to Conway Hospital, Inc.'s termination and demand for payment of damages under that certain Debt Service Reserve Fund Agreement – Guaranteed Yield Structure (the “Agreement”) dated as of June 8, 1998, among Conway Hospital, Inc., The Bank of New York, now known as The Bank of New York Mellon Trust Company, N.A. and Lehman Brothers Special Financing, Inc., a Delaware Corporation.

AMBAC ASSURANCE CORPORATION

By
Its


JAMES M. CAPRUSO
FIRST VICE PRESIDENT
AMBAC ASSURANCE CORPORATION

November 20, 2008

EXHIBIT A

**DEBT SERVICE RESERVE FUND AGREEMENT – GUARANTEED YIELD
STRUCTURE**

**DATED AS OF JUNE 8, 1998 AMONG
CONWAY HOSPITAL, INC., THE BANK OF NEW YORK AND
LEHMAN BROTHERS SPECIAL FINANCING INC.**

CALCULATED AS OF THE DATE OF NOTICE OF TERMINATION

(I) Calculation of payment due from Lehman Brothers Special Financing Inc.

Reserve Requirement as of date of demand:	\$2,334,280
Agreement Termination Date	7/1/2028
Interest rate on Agreement (A):	5.8550%
Market interest rate as of the date of demand (B):	3.1380%
Present Value of a Basis Point on remaining term (C):	\$2,690.23

Formula used to determine payment: $(A-B)*C*10,000$

Calculation: $(5.885\% - 3.138\%) * \$2,690.23*10,000$ **\$739,006.18**

(ii) Incidental costs and expenses

Parker Poe Adams & Bernstein LLP	\$5,000
Haynsworth Sinkler Boyd, P.A.	\$2,000
Kensington Capital Advisors LLP	\$5,000
Total	\$12,000

Total payment due to Conway Hospital, Inc. (i)+(ii) \$751,006.18